Decision No. 28158

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of EAST SIDE CANAL COMPANY, for an order authorizing the execution of a certain oil drilling license to F.E. Fairfield.

Application No. 20087.

BY THE COMMISSION:

<u>ORDER</u>

The East Side Canal Company by this application prays

the Commission's authority to enter into a proposed agreement with F.E. Fairfield by which the latter may be permitted to occupy and use certain portions of applicant's canal right of way for the purpose of drilling for oil. Although the proposed drilling will border applicant's irrigation canal, it appears that it does not intend to divest itself of any rights therein which will in any respect result in the discontinuance or impairment of its public utility water service.

This Commission has previously authorized similar agreements stating that, while it may be that the proposed license agreement is not strictly a lease or encumbrance of property to which the Commission's approval is required under Section 51 of the Public Utilities Act, it appears that the authority requested may properly be granted.

It appearing that a public hearing upon the applica-

tion herein is not required and that the authority sought by the applicant should be granted, now, therefore,

IT IS HEREBY ORDERED that the East Side Canal Company be and it is hereby authorized to enter into an agreement with F.E. Fairfield under substantially the same terms and conditions as are set forth in the form therefor attached to the application herein and made a part hereof by reference.

IT IS HEREBY FURTHER ORDERED that the East Side Canal Company file with this Commission, within thirty (30) days from the date of this Order, two certified copies of said license agreement as finally consummated.

The authority herein granted shall become effective on the date hereof.

Dated at San Francisco, California, this <u>576</u> day of August, 1935.

Commissioners

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